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Westinghouse

ELECTRIC CORPORATION



PHONE: LINTHICUM 1000 FRIENDSHIP INT'L AIRPORT BOX 746, BALTIMORE 3, MD.

21 February 1957

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Subject: Contract FL-3011
Redetermination Proposal

Enclosure (1) Redetermination Proposal Covering Items 1, 2, 3, 4, 5, 6, 8, 9 and 9a.

Pursuant to the provisions of Part IV of the schedule of the subject contract entitled "Price Redetermination", as amended by amendments number 3 and 4 thereto, there is transmitted herewith Enclosure (1) which is our proposal for the redetermined price for contract Items 1, 2, 3, 4, 5, 6, 8, 9 and 9a. It has been agreed verbally that Item 7 will be included under the next immediate redetermination proceeding under the subject contract. It is assumed that such transfer of Item 7 redetermination will be accomplished by contract amendment prior to or forming a part of the redetermination amendment resulting from this proposal.

In addition to proposing a redetermined price for the items now covered by the contract, this proposal also covers certain other items which as yet have not been contractually covered. These items are as follows:

Under Contract Item 5 - Additional tools and test equipment bearing Item numbers 64 through 69 inclusive.

Under Contract Item 6 - Additional spare parts bearing
Item numbers 1240 through 1408
inclusive and the changes, other

than additional items 1240 through 1408, set forth in revision 1 to Appendix c revised, dated Nov.16, 1956, and revision 1 to Exhibit E,

dated Nov. 26, 1956.

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Under Contract Item 9 - Additional spare parts bearing item numbers 680 through 733 inclusive.

Accordingly, the contract amendment resulting from the subject redetermination proceeding must provide for contract coverage of these additional items as well as the establishment of redetermined prices.

In the interest of clarity and for purposes of identification, there is set forth below with respect to Items 5, 6 and 9 a summary of the items covered by this proposal.

- Item 5 Maintenance Tools & Test Equipment as set forth on Appendix B revised, dated June 11, 1956, covering Items 1 through 63 inclusive and additional Items 64 through 69 set forth on revision 1 to Appendix B revised, dated November 5, 1956.
- Item 6 Spare Parts as set forth on Appendix C revised, dated May 7, 1956 and Exhibit E, dated April 30, 1956, covering items 1 through 1239 inclusive and additional items 1240 through 1408 inclusive set forth on revision 1 to Exhibit E, dated November 26, 1956. For Item 6 this proposal also includes the changes contained in revision 1 to Appendix C revised, dated November 16, 1956, and the changes, other than the added items mentioned above, which are included in revision 1 to Exhibit E, dated November 26, 1956.
- Item 9 Spare Parts as set forth on Exhibit D, dated June 5, 1956, covering Items 1 through 679 inclusive and additional items 680 through 733 inclusive set forth on revision 1 to Exhibit D, dated November 5, 1956.

With respect to Items 5, 6 and 9 specific lists were priced in arriving at the proposed redetermined figures for these items. We propose that these lists be incorporated into the contract via the redetermination amendment.

This proposal includes all costs incurred against this contract by our Engineering and Services Department prior to July 1, 1956. This proposal also includes all costs of engineering field assistance rendered by Air Arm Division Engineering personnel prior to January 1, 1957. STAT

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This proposal is contingent on all items delivered as of the date of this letter being considered acceptable and in conformity with existing contract specifications with the exception of the Varian klystron modification work which is not completed at this date.

No redeterminable type subcontracts or purchase orders were entered into by the Contractor in the performance of the subject contract.

If any further information is desired, we will be pleased to furnish it upon request, and to arrange a conference at your convenience to establish final price for the subject contract.

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Encl.

Contract Administration